To: Bowman, Liz[Bowman.Liz@epa.gov]

From: Jackson, Ryan

**Sent:** Fri 11/17/2017 11:27:05 AM

Subject: Fwd: Morning Energy, presented by Chevron: Dourson nomination imperiled as more

Republicans undecided — Keystone spill reported days before key decision — Last day of Bonn climate

talks

Please send Politico our one pager so that this isn't just rehashed everyday.

Ryan Jackson Chief of Staff U.S. EPA

Ex. 6 - Personal Privacy

Begin forwarded message:

From: "POLITICO Pro Energy" < politicoemail@politicopro.com >

Date: November 17, 2017 at 6:02:32 AM EST

To: <jackson.ryan@epa.gov>

Subject: Morning Energy, presented by Chevron: Dourson nomination imperiled as more Republicans undecided — Keystone spill reported days before key decision — Last day of Bonn climate talks

**Reply-To:** "POLITICO subscriptions" < reply-fe9613727562047577-630326\_HTML-786581600-1376319-0@politicoemail.com>

By Anthony Adragna | 11/17/2017 05:50 AM EDT

With help from Sara Stefanini

**DOURSON'S IN DEEP TROUBLE:** It's not looking good for President Donald Trump's nominee to run EPA chemicals office with at least five more Republicans not ready to back Michael Dourson on Thursday, Pro's Nick Juliano and your ME host report. Republican Sens. Jeff Flake, Bob Corker, John McCain and Pat Toomey were all publicly noncommittal about Dourson's nomination with Sen. Susan Collins going further to say she was "leaning against" supporting the former industry-funded toxicologist. Remember just one more defection sinks Dourson after Republican North Carolina Sens. Thom Tillis and Richard Burr said they wouldn't vote to confirm him.

**Toomey's concerns:** "Sen. Toomey remains concerned about the PFOA issue in Bucks County and Montgomery County and remains dedicated to addressing it," a spokesman for the Pennsylvania Republican said, naming two Philadelphia-area counties where <u>toxic</u> <u>firefighting chemicals</u> leached into the ground from <u>two closed naval bases</u>.

Leadership doesn't seem too optimistic about Dourson at this point. "We'll have to see

whether it's a viable nomination, and with two against him obviously that doesn't leave us a lot of room," Senate Majority Whip John Cornyn told us. "We haven't made a decisions on that yet, but we'll be revisiting it."

But it may not matter: Dourson is currently at the agency as a senior adviser to Administrator Scott Pruitt and none of the Republicans we spoke to seemed anxious to kick him out, even if he lacked support to be confirmed. "I'll leave that up to the EPA to decide," Tillis said. Even Sen. <u>Joe Manchin</u>, who opposes confirmation despite supporting several other Trump nominees, said he was not asking Dourson to leave his current post. But other Democrats, who have criticized the arrangement from the start, want Dourson out of the agency ASAP: "He is a lightning rod that we don't need and I would hope that we don't have to deal with him at EPA," Sen. <u>Ben Cardin</u> told ME.

Why his selection matters: Dourson, whose prior clients include Dow Chemical, Koch Industries and Chevron, has frequently recommended standards many factors less protective than public health and EPA research suggested. And in the early 2000s, Dourson helped West Virginia set drinking water guidance limits for PFOA at 150 parts per billion. That was 150 times less protective than manufacturer DuPont's own internal standard of 1 part per billion and more than 2,000 times less protective than EPA's recommendation of 70 parts per trillion.

**KEYSTONE SPRINGS A LEAK:** Days before Nebraska regulators decide whether to approve its expansion through their state, the original Keystone pipeline spilled 210,000 gallons of heavy Canadian oil in South Dakota Thursday, Pro's Ben Lefebvre reports. Pipeline operator TransCanada <u>said</u> it shut down the line around 7 a.m. after discovery of the leak in Marshall County and alerted the Pipeline and Hazardous Material Safety Administration. The leak was on original section of the Keystone pipeline system, opened in 2010, that runs from Alberta east through Canada and then down through South Dakota until Steele City, Neb. The Nebraska Public Service Commission will decide Monday whether to approve the route of Keystone XL — an expansion of the original system that takes a shorter path from Alberta to Steele City.

**Environmentalists seized on the incident:** "These pipelines are bound to spill, and they put communities, precious drinking water, and our climate at risk," Greenpeace's Rachel Rye Butler said in a statement. "The Nebraska Public Service Commission needs to take a close look at this spill." And <u>350.org</u> Executive Director May Boeve said: "This is exactly the kind of disaster we can expect more of if Keystone XL is approved."

WE MADE IT TO FRIDAY EVERYBODY! I'm your host Anthony Adragna, and Andeavor's Stephen Brown first to identify former Rep. Joe Kolter as the other congressman caught up in the post office scandal. For today: Just two Supreme Court justices have ever graced American currency (both out of circulation). Who were they? Send your tips, energy gossip and comments to <a href="mailto:aadragna@politico.com">aadragna@politico.com</a>, or follow us on Twitter @AnthonyAdragna, @Morning Energy, and @POLITICOPro.

**ICYMI:** Interior's inspector general said Interior Secretary Ryan Zinke hasn't properly

documented his travel as secretary, leaving it unable to determine whether he violated government rules or improperly mixed partisan political activity with official business, Pro's Eric Wolff <u>reports</u>. Deputy Secretary David Bernhardt said the Obama administration's "organizational and operational mess" was to blame for the lack on documentation.

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\*\* A message from Chevron: When an endangered butterfly was found near a Chevron refinery, we protected the habitat and still plant the only thing they eat—buckwheat. Watch the video: <a href="http://politi.co/2yQ8q7z">http://politi.co/2yQ8q7z</a> \*\*

**BONN TRAVAIL:** Today's the last day of the climate summit in Bonn, Germany, and most of the high-level activities seem to have already wrapped. Look for final high-level speeches this morning and the closing session in the afternoon. Fingers crossed, everything will be wrapped and settled around midday U.S. time.

One awkward thing: Germany's continued dependence on coal has been a sore spot for this year's summit host. And with difficult coalition talks underway to form a government, Barbara Hendricks, the German environment minister, was caught in a difficult spot when asked about the new <a href="mailto:anti-coal alliance">anti-coal alliance</a>. "We were asked, whether we want to participate. I have asked for understanding, that we cannot decide this ahead of the next government. The initiative, however, will keep us up to speed about what's happening," she said in an emailed statement.

WHERE IN THE WORLD IS SCOTT PRUITT? Today the EPA administrator delivers remarks at the Federalist Society's 2017 National Lawyers Convention at 11:15 a.m. Link to the schedule here.

**Attractions yet to come:** Nearly a year after his confirmation, Pruitt makes his first return visit to Senate EPW on Jan. 31, 2018, your ME hosts <u>reports</u>. Ranking member <u>Tom Carper</u> said the visit is "long overdue" but adds he's "glad that a date has finally been set." He'll <u>also testify</u> before the House Energy and Commerce Environment Subcommittee on Dec. 7.

**On Thursday,** he met with Washington state Rep. <u>Cathy McMorris Rodgers</u> at agency headquarters. Picture <u>here</u>.

**WHAT THEY'RE SAYING:** Here's what various energy groups are saying about House passage of its tax package H.R. 1 (115) Thursday afternoon.

— Edison Electric Institute President Tom Kuhn is decidedly on board: "The single most important action we can do to grow our economy and to create jobs is to pass comprehensive tax reform this year, and this is a giant step forward in getting comprehensive tax reform across the finish line."

- Malcolm Woolf, Senior Vice President of Policy for Advanced Energy Economy, has mixed feelings about the bill: "While we are encouraged that the House is reducing the corporate tax rate and finally providing equal treatment for technologies like fuel cells, combined heat and power, geothermal, and advanced nuclear, today's vote also completely undermines market certainty for the wind, solar and electric vehicle businesses."
- **API's Jack Gerard** likes what he sees: "By including pro-growth proposals like lowering the corporate tax rate and strong cost-recovery provisions, this legislation will help unleash economic growth and allow our industry to continue providing safe, reliable energy for Americans.
- The National Enhanced Oil Recovery Initiative, a coalition of coal, oil, labor and environmental groups, hopes a tax extenders package expected to be considered in the Senate Finance Committee has space for extending a CCS credit: "Carbon capture legislation has unprecedented bipartisan, bicameral support and deserves congressional action."

**The Senate Finance Committee** cleared its own version of the tax overhaul late Thursday 14 to 12, Pro Tax's Brian Faler reports.

**CONFIRMED:** Before the Thanksgiving jet fumes got them, the Senate confirmed Brenda Burman to run the Bureau of Reclamation by voice vote, your ME host <u>reports</u>. "FINALLY! Excited to finally have Brenda Burman confirmed to lead @usbr," Zinke <u>tweeted</u> in response.

**NUDGING PEOPLE ON APPROPRIATIONS:** The Senate Appropriations Committee plans to unveil its chairman's mark for the Interior and Environment fiscal 2018 spending bill next week, along with three other outstanding packages, Pro Budget & Appropriations Brief's Sarah Ferris <u>reports</u>. They won't be marked up but will allow staff level work on funding to trudge along, as Appropriations Chairman <u>Thad Cochran</u> ruled out any short-term spending bill that extends past New Year's Eve.

**Speaking of which,** three sources <u>tell</u> POLITICO's John Bresnahan, Seung Min Kim and Sarah Ferris the White House will ask today for \$44 billion to help storm-ravaged communities in Texas, Puerto Rico and Florida.

**NEW WRINKLE TO TEST!** The North American Electric Reliability Corp.'s recent two-day test of energy companies and government agencies' response to simulated cyber and physical attacks featured for the first time "fake news" on social media to gauge how participants react, Pro's Esther Whieldon reports. "I think that term has become part of our lexicon now and so there's an awareness as to is what we're seeing completely accurate or is it designed to fool us?" Marcus Sachs, senior vice president and chief security officer at NERC, said. "Is it potentially a threat actor making something up and trying to psychologically push people in a wrong direction?" More than 6,000 people from the power, oil and gas sectors as well various federal agencies participated in this year's event.

ABOUT THAT PUERTO RICAN OUTAGE: Whitefish Energy said a Wednesday power outage in Puerto Rico had nothing to do with the company's efforts on the island. A since-updated Mashable article linked to in Thursday's ME suggested the outage might have been related to its repair work. "The outage in PREPA Rico on Wednesday, just like the one last week, has absolutely nothing to do with the work performed by Whitefish Energy on the 50100 transmission line," a spokesman said in a statement. "That line was turned over to PREPA several weeks ago and our crews are no longer in the area as they are working elsewhere on the island." The island's utility blamed the outage on a "technical failure."

**MOVING FORWARD:** Virginia took the next step toward joining Regional Greenhouse Gas Initiative on Thursday as the commonwealth's Air Pollution Control Board released a plan for public comment that proposes to cap carbon dioxide emissions from power generation in Virginia at 33 million tons or 34 million tons in 2020, with 3 percent annual reduction through 2030, Pro's Darius Dixon reports. Public comments are expected to last at least 60 days once the plan formally appears in the Virginia Register.

HAMMING IT UP: Billionaire Continental Resources chief and Trump supporter Harold Hamm told an Energy Information Administration webinar Thursday its forecasts had overstated oil production this year by 200,000 barrels a day, Pro's Ben Lefebvre reports. Hamm said the estimates were hurting his business. "We believe the EIA must be responsive to changing dynamics and do it on a timely basis," Hamm said. "Shareholders are demanding return on investment. Hopefully we will give the EIA data a more realistic stamp."

SIERRA CLUB HITS BACK ON GRID PUSH: Responding to FERC Chairman Neil Chatterjee's <u>comments</u> about an "interim" grid proposal, the Sierra Club launched targeted ads on Facebook, YouTube, Twitter, and Google Display in 11 states opposing Energy Secretary Rick Perry's grid resiliency push. Watch <u>here</u>.

MAIL CALL! ROUND OF APPLAUSE TO YOU: House Natural Resources Chairman Rob Bishop, as well as the committee's subcommittee chiefs, sent a letter to Trump voicing support for reorganizing Interior. "Any thoughtful DOI reorganization should give serious consideration to relocating select agencies away from Washington," they wrote. "Simply put, federal employees should know and live around the people, lands, and economies they regulate."

CHANGE COURSE ON RFS CUTS: Eighteen House Democrats, led by <u>Donald Milford Payne</u> and <u>Ruben Gallego</u>, sent <u>a letter</u> to Pruitt urging him to preserve existing biofuels volume requirement mandates. They fear the proposed 2018 volumes "will curtail investment in innovation and have an adverse impact on our country. It will particularly affect communities of color and urban areas that already face air pollution issues and higher costs of living, especially in regard to gasoline prices."

**DON'T DO IT:** Colorado Sen. <u>Michael Bennet</u> sent a letter to Zinke opposing a proposal to raise National Park Service fees. Read it <u>here</u>.

**MORE TIME PLEASE:** More than two dozen House Democrats asked Zinke for a 45 day extension of the public comment period on Interior's plan to modify or rewrite sage grouse conservation plans. Link here.

**GROUPS WANT GRID PUSH RECORDS:** The Environmental Working Group and American Oversight filed a public records request Thursday seeking communications, emails and calendar entries for meetings between senior DOE officials and corporations including Peabody Energy and Murray Energy. It also requests any records related to lobbying groups such as the Edison Electric Institute, the Nuclear Energy Institute, and the American and National Coal Councils. Link here.

**LIGHTER CLICK:** Queen Elizabeth II visited a wind turbine blade factory on Thursday and the pics are about as awesome as you'd expect. Link <u>here</u>.

### **QUICK HITS**

- Fossil Fuels' Fishy New Friends. <u>Bloomberg Businessweek</u>.
- Pope Francis denounces climate change deniers. AP.
- Northern Pass gets federal permit to bring energy across the Canadian border. <u>Concord</u> Monitor.
- As U.S. Debates Ending Electric Car Tax Credit, China Aims to Expand Sales. <u>New York Times</u>.
- Rising U.S. Oil Stocks Weigh on Prices. Wall Street Journal.
- Texas wind energy projects worth about \$11 billion in limbo after U.S. House tax vote. Dallas Morning News.

### **HAPPENING TODAY**

8:00 a.m. — U.S. Gas Infrastructure Exports Initiative Launch Event, U.S. Chamber of Commerce, Hall of Flags, 1615 H Street NW

11:15 a.m. — EPA Administrator Scott Pruitt addresses The Federalist Society's National Lawyer Convention, 1127 Connecticut Avenue, NW

### THAT'S ALL FOR ME!

\*\*\* A message from Chevron: This is a story about DOERS, butterflies, and buckwheat. In '75, the endangered El Segundo Blue butterfly was found near a Chevron refinery. We protected the habitat and planted the only thing they eat—buckwheat. We're still planting and keeping an eye on our littlest neighbor. Watch the video: http://politi.co/2yQ8q7z \*\*

#### To view online:

https://www.politicopro.com/newsletters/morning-energy/2017/11/dourson-nomination-imperiled-as-more-republicans-undecided-026442

### **Stories from POLITICO Pro**

### Dourson at risk of rejection as more Republicans lean no Back

By Nick Juliano and Anthony Adragna | 11/16/2017 05:55 PM EDT

President Donald Trump's nominee to a key chemical safety job at the EPA is at risk of rejection after Republican senators balked amid accusations that he is too eager to cover for companies peddling dangerous products.

North Carolina's two GOP senators have said they will vote against confirming Michael Dourson as an EPA assistant administrator, citing a record that included work on a chemical linked to cancer deaths near a Marine Corps base in their home state. And Maine Republican <u>Susan Collins</u> said Thursday that she is leaning no as well — a vote that would be enough to sink his nomination.

Democrats are optimistic about turning four additional Republicans who they believe should be in play based on contamination issues back home.

Republican leaders have not decided what to do about Dourson's nomination, Senate Majority Whip John Cornyn (R-Texas) said Thursday.

"We'll have to see whether it's a viable nomination, and with two against him obviously that doesn't leave us a lot of room," Cornyn told POLITICO. "We haven't made a decisions on that yet, but we'll be revisiting it."

Critics say Dourson, a former industry-funded toxicologist, regularly downplayed the risks of chemicals such as PFOA and trichloroethylene that are contaminating soil and water in communities across the country. Dourson has already begun working at EPA as a senior adviser to Administrator Scott Pruitt, an arrangement Democrats have condemned as improper.

"There are all these local contamination issues across the country that have been bubbling up recently or have been out there for years, and because Dourson is this hired gun ... he's almost by nature of his job been working on these really controversial chemicals," said Jack Pratt, chemicals campaign director for the Environmental Defense Fund, which opposes Dourson's nomination.

Republican North Carolina Sens. <u>Thom Tillis</u> and <u>Richard Burr</u> said Wednesday that they could not support Dourson because of his past work as a toxicologist who was frequently hired by industry to rebut public health concerns about chemicals. Collins said Thursday that she is "leaning against" confirming him.

A legislative aide said Democrats are eyeing Republican Sens. <u>Jeff Flake</u> of Arizona, <u>Lisa Murkowski</u> of Alaska, <u>Bob Corker</u> of Tennessee and <u>Pat Toomey</u> of Pennsylvania, although Flake, Toomey and Corker told POLITICO they're still undecided.

"Sen. Toomey remains concerned about the PFOA issue in Bucks County and Montgomery County and remains dedicated to addressing it," a spokesman for the Pennsylvania Republican said, naming two Philadelphia-area counties where toxic firefighting chemicals leached into the ground from two closed naval bases. Toomey is reviewing the nomination "with these concerns in mind," but the spokesman did not say how he plans to vote.

However, even if the nomination is pulled or rejected, Dourson will still be able to influence EPA's implementation of a major chemical safety law because he has already started working at the agency. Democrats have criticized that arrangement, though EPA says previous administrations allowed people to begin working there before being confirmed.

EPA's chemical safety office, which Dourson has been nominated to lead, has a heavy workload after Congress in 2016 passed a bipartisan law updating the Toxic Substances Control Act for the first time in nearly 40 years. The office has been charged with evaluating the safety of chemicals already in use and determining how to test new chemicals before they are allowed into the marketplace.

The near-universal support TSCA reform won in Congress last year may help explain the wariness among lawmakers about giving chemical industry allies too much of a foothold in EPA.

"They wanted to give the public some assurance that the products on their shelf are safe, and when you put the chemical industry in charge that's not going to happen," said Madeleine Foote, a legislative representative with the League of Conservation Voters.

Tillis and Burr stopped short of calling for Dourson to step down from his existing position at the agency. "I'll leave that up to the EPA to decide," Tillis told POLITICO.

Sen. <u>Joe Manchin</u> (D-W.Va.), who has supported several Trump nominees, said he would vote against Dourson but not object to him continuing to work at EPA.

Before joining EPA last month, Dourson was a professor at the University of Cincinnati College of Medicine's Risk Science Center, and he founded the nonprofit Toxicology Excellence for Risk Assessment, which was often conducted industry-funded research. He also previously worked at EPA from 1980 to 1995. Past clients of Dourson and his research group have included Dow Chemical, Koch Industries and Chevron, according to <a href="https://doi.org/10.1007/jhc.20

Critics say Dourson's research routinely concluded that chemicals were safer in far higher concentrations than those recommended by agencies like EPA, putting communities at

greater risk of finding toxic substances like perchlorate, TCE or PFOA in their air or drinking water.

Pratt said Dourson's work followed a pattern.

"Over and over again these chemical companies would hire him, he'd look at the research, and say the standard that EPA or whatever regulatory body has is too strict — it should be looser," Pratt said.

Dourson told the Environment and Public Works Committee at his confirmation hearing last month that he did not have a thumb on the scale.

"I can give you as many or more examples of situations where the science that we brought forward as a team actually lowered the safe dose or risk position for various sponsors," Dourson told Sen. <u>Tom Carper</u> (D-Del.) at the hearing. "If confirmed, I will rely on the guidance of EPA ethics officials."

Tillis and Burr said they could not support Dourson based on his record and North Carolina's history of chemical pollution problems, such drinking water at Camp Lejeune that was contaminated for decades by chemicals including trichloroethylene. TCE is one of the first 10 chemicals EPA must evaluate under the new safety law, but Dourson has previously endorsed health standards that are 1.5 to 15 times less protective than those backed by other researchers, according to EDF.

Retired Marine Corps Master Sgt. Jerry Ensminger, whose daughter died of leukemia linked to the contaminated water at Camp Lejeune, met with Tills and aides to Burr to urge their opposition, according to the Wilmington Star News.

Among his other industry-funded work, Dourson <u>appeared</u> before an EPA scientific advisory panel session concerning the pesticide chlorpyrifos on behalf of CropLife America. He led a 2008 <u>paper</u> on acrylamide, which can form during high-temperature cooking of some starchy foods, that received funding from major food companies like Burger King, Frito-Lay and McDonald's. And he <u>studied</u> 1-bromopropane, a solvent linked to some neurological and reproductive disorders, in 2004 with funding from Albemarle Corp. and Ameribrom Inc.

In all cases, he recommended standards many factors less protective than public health and EPA research suggested.

He also has done work for industry-friendly state governments. In the early 2000s, Dourson helped West Virginia set drinking water guidance limits for PFOA, also known as perfluorooctanoic acid or C8, at 150 parts per billion. That was 150 times less protective than manufacturer DuPont's own internal standard of 1 part per billion and more than 2,000 times less protective than EPA's recommendation of 70 parts per trillion.

During his confirmation hearing, Dourson argued that the research had evolved

significantly since his recommendation to West Virginia, saying that "the science has progressed, significantly advanced since the time of 2004 and the new science indicates a lower level." And he defended the integrity of his work overall.

"Throughout my career — with EPA, TERA and now with the University of Cincinnati — I have been objective in my work and applied sound science to come to my conclusions," Dourson said.

To view online click here.

#### Back

### Collins 'leaning against' Dourson for EPA chemicals role Back

By Anthony Adragna | 11/16/2017 12:35 PM EDT

Sen. <u>Susan Collins</u> told reporters today she's "leaning against" backing Michael Dourson's nomination to run EPA's chemicals office, which would leave him without adequate support for confirmation in the closely divided chamber.

"I have a lot of concerns about Mr. Dourson, but I've not yet made a final decision," she said.

North Carolina Republican Sens. <u>Richard Burr</u> and <u>Thom Tillis</u> both came out in opposition on Wednesday to Dourson, who is currently working as an adviser at the agency. Both declined to say if he should leave that role today.

Sen. John McCain (R-Ariz.) also said today he had not decided whether to support the nomination.

To view online click here.

#### Back

## Keystone pipeline spills 210,000 gallons of oil in South Dakota Back

By Ben Lefebvre | 11/16/2017 05:02 PM EDT

The Keystone pipeline spilled 210,000 gallons of heavy Canadian oil in South Dakota, pipeline operator TransCanada said in a statement today.

TransCanada shut down the pipeline around 7 a.m. ET after discovering the leak in Marshall County, the company said. Crews isolated the spill and called in emergency responders, the company said. TransCanada also alerted the Pipeline and Hazardous

Material Safety Administration of the spill.

The spill comes less than a week before a local regulatory commission in Nebraska is scheduled to rule whether to approve the route through the state where TransCanada wants to build Keystone XL, an expansion of the original Keystone line.

TransCanada said it has received enough interest from shippers to green-light Keystone XL project if it gets the go-ahead from the Nebraska Public Service Commission.

To view online click here.

#### Back

### Watchdog slams Zinke for failing to document travel Back

By Eric Wolff | 11/16/2017 04:16 PM EDT

Interior Secretary Ryan Zinke failed to properly document his travel, the agency's watchdog said Thursday, preventing it from determining whether he had violated government rules.

Zinke has come under scrutiny for mixing taxpayer-funded travel with political activities, as well as taking military or private planes rather than flying commercial, and the investigation by Interior's Office of Inspector General seeks to clarify whether all procedures were correctly followed.

"Our investigation is delayed by absent or incomplete documentation for several pertinent trips and a review process that failed to include proper documentation and accountability," Deputy Inspector General Mary Kendall said in a letter obtained by POLITICO and first reported by The Washington Post.

Zinke's travels have drawn scrutiny after Interior revealed he had taken non-commercial flights at taxpayer expense, POLITICO and other news outlets have reported. POLITICO has also reported that the former congressman from Montana has mixed taxpayer-paid trips with political work, such as when he participated in a fundraiser on behalf of the Virgin Islands GOP.

The IG criticized Zinke for failing to complete documentation for his travel in the fiscal year that ended on Sept. 30, and said that the process established by Interior's Ethics Office and Office of the Solicitor "does not include sufficient documentation of the legal and ethical analysis conducted to distinguish between personal, political, and official travel, or consistent cost analysis to justify use of non-commercial travel."

The IG asked for documentation of all of Zinke's travel, as well as for the documentation of travel by his wife, Lola Zinke, with documentation for how and when the travel was paid.

Deputy Secretary David Bernhardt, the agency's second-ranking official, blamed the lack on documentation on the Obama administration for leaving behind "an organizational and operational mess."

In his response letter, Bernhardt emphasized that Interior employees would continue to cooperate with the IG, and said he would provide documentation as requested.

But he also went on to note that former Interior Secretary Sally Jewell hadn't completed her documentation for 12 trips taken last year and in January of this year, and he said some trips may have never been entered in the system.

"When I arrived at the Department in August 2017 it was clear to me that the Secretary and I had inherited an organizational and operational mess," he wrote. "From my perspective, regarding IOS travel procedures, it appears that the exact same procedures and processes utilized by the previous Administration remain in place and continue to be dysfunctional."

Zinke joins a cast of Trump administration officials, including Treasury Secretary Steven Mnuchin and now-departed Health and Human Services Secretary Tom Price, who are accused of misuse of taxpayer funds for travel.

Esther Whieldon contributed to this report.

To view online click here.

#### Back

### New anti-coal push in Bonn pits nations against U.S. Back

By Emily Holden | 11/16/2017 03:08 PM EDT

BONN, Germany — Canada and the U.K. on Thursday launched an anti-coal alliance at the global climate summit here, a direct challenge to the Trump administration's bid to promote new high-efficiency coal-fired power plants.

Canadian Environment Minister Catherine McKenna and Claire Perry, the U.K. minister for climate change, formally launched the 27-member group whose declaration said it will seek to close down existing coal plants and "impose a moratorium on any new traditional coal power stations without operational carbon capture and storage."

"Coal is literally choking our cities, with close to a million people dying every year from coal pollution," McKenna said.

Almost 40 percent of global electricity comes from coal, and while McKenna acknowledged that phasing it out would not be easy, she said it was crucial to achieve climate goals and protect public health.

Other members include France and Italy, which both aim to phase out coal in the next decade, and Finland, Mexico and New Zealand. Two U.S. states — Washington and Oregon — will also join. Both have already announced plans to shutter their coal plants. While the group's members consume only a small fraction of the global coal supply, they aim to form a powerful political partnership.

McKenna said despite the U.S. effort to support coal, the economic case for the fuel was fading.

"There are cheaper, more sustainable sources of power, in particular clean power, renewables," she said. "The economics dictate it, but we need to be supporting countries that want to make the move. We've said that there are developing countries [where] there might be a price deferential. We want to be helping to support them. This is the huge opportunity."

Officials from the White House have used the annual climate change conference to tout "cleaner" fossil fuels, including at a <u>controversial event</u> on Monday that drew protesters. But the head of the American negotiating team delivered a speech to the assembled nations that carefully steered clear of coal.

Judy Garber, an acting assistant secretary at the State Department, at the COP23 high-level session said the U.S. still intends to withdraw from the 2015 Paris deal and is open to rejoining later under "more favorable" terms. The U.S. team has said it was not planning to discuss those terms at the Bonn meeting.

Garber noted "dramatic decreases in the cost of low-emissions technologies and fuels, including natural gas, solar, wind, energy storage and energy efficiency," but also referenced work with China and India capturing carbon emissions from coal.

"We know that each country will need to determine the appropriate energy mix based on its particular circumstances, taking into account the need for energy security, promotion of economic growth and environmental protection," she said. "In that context, we want to support the cleanest, most efficient power generation, regardless of source."

Not all developed countries are on board with the new anti-coal pitch, including Germany, where Chancellor Angela Merkel is still struggling to form a new government.

"We were asked whether we want to participate. I have asked for understanding, that we cannot decide this ahead of the next government," said Barbara Hendricks, the German environment minister. "The initiative, however, will keep us up to speed about what's happening."

Kalina Oroschakoff contributed to this report.

To view online click here.

#### Back

### Pruitt to testify before EPW in late January 2018 Back

By Anthony Adragna | 11/16/2017 03:55 PM EDT

EPA Administrator Scott Pruitt will appear before the Senate Environment and Public Works Committee on Jan. 31, 2018, making his first return to the panel nearly a year after his confirmation, the panel announced today.

"It is important that EPA Administrator Pruitt testifies before the committee," Chairman John Barrasso said in a statement. "It will give senators the chance to hear about the important work being done at the agency."

Committee Democrats have already expressed outrage Pruitt hasn't returned since his confirmation in February so waiting more than two additional months likely won't mollify that the anger.

"Mr. Pruitt's appearance before our committee, which oversees the agency he leads, is long overdue," Ranking member <u>Tom Carper</u> said in a statement. "While I think it is unacceptable that members of this committee will have to wait over a year to hear directly from Administrator Pruitt, I am glad that a date has finally been set, and I look forward to his testimony on January 31st."

WHAT'S NEXT: Pruitt will testify on Jan. 31.

To view online click here.

#### Back

#### Pruitt to testify before House panel Dec. 7 Back

By Alex Guillén | 11/16/2017 12:00 PM EDT

EPA Administrator Scott Pruitt will <u>testify</u> before the House Energy and Commerce Environment Subcommittee on Dec. 7.

"We're looking forward to receiving a much-needed update from Mr. Pruitt on his priorities for the agency, including his stated policy of getting EPA 'back to the basics' and its impact on the agency's activity going forward," E&C Chairman <u>Greg Walden</u> and Subcommittee Chairman <u>John Shimkus</u> said in a joint statement. "Following EPA's controversial and expansive interpretation of its authorities during the past administration, it is past time for EPA to refocus on pursuing its important public health and environmental missions as

Congress originally intended."

The appearance will be Pruitt's first before the Energy and Commerce Committee. Democrats on the Senate Environment and Public Works Committee are also seeking to have Pruitt testify soon, noting he has not appeared before that committee since his confirmation hearing on Jan. 18.

To view online click here.

#### Back

### Senate Finance Committee approves GOP tax reform plan Back

By Brian Faler | 11/16/2017 10:37 PM EDT

The Senate's tax-writing committee this evening approved Republicans' sweeping plan to overhaul the tax code.

The Finance Committee voted along party lines, 14-12, to forward the proposal on to the full Senate. Approval came after four days of sometimes testy consideration, during which Republicans substantially revised the measure while voting down dozens of Democratic amendments.

Senate leaders aim to take up the <u>bill</u> — which would cut both business and individual taxes while killing Obamacare's individual mandate requiring health insurance — after Thanksgiving.

The Finance panel's vote came hours after the House approved its own competing tax plan. Lawmakers aim to get compromise legislation to President Donald Trump's desk by the end of the year.

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### Senate confirms Burman to lead Bureau of Reclamation Back

By Anthony Adragna | 11/16/2017 06:11 PM EDT

The Senate cleared Brenda Burman's nomination to run the Bureau of Reclamation by voice vote on Thursday.

"FINALLY! Excited to finally have Brenda Burman confirmed to lead @usbr," Secretary Ryan Zinke tweeted in response.

Burman's nomination to lead the nation's wholesale water and hydroelectric power provider got caught up in the battle over Zinke's national monument designation review.

Senate Minority Whip <u>Dick Durbin</u> placed a hold on her nomination until he landed a meeting with Zinke to discuss the review and <u>lifted it</u> after that meeting took place earlier this week.

WHAT'S NEXT: Burman will assume her position running the Bureau of Reclamation.

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### Senate appropriators to release details on four spending bills Back

By Sarah Ferris | 11/16/2017 03:46 PM EDT

The Senate Appropriations Committee plans to unveil its remaining four spending bills next week as it ratchets up pressure on congressional leaders to strike a budget deal.

The committee will release a so-called chairman's mark for each of the fiscal 2018 bills — Defense, Financial Services, Homeland Security and Interior and Environment — early next week. The bills will not be marked up in full committee, according to a GOP aide.

The Senate will not be in session, but the bills will be released to allow staff-level work during the holidays, the aide said. After the Thanksgiving break, Congress will have just days left until government funding expires.

Appropriations Chairman <u>Thad Cochran</u> announced the plans in a rare statement directed at congressional leadership this afternoon, warning about the fast-approaching Dec. 8 deadline.

"We need a new budget deal to finish our work. Congress and the administration must reach agreement on acceptable top-line funding levels," Cochran wrote. "I urge all parties to those negotiations to redouble their efforts to reach agreement."

In a break with some House conservatives, Cochran (R-Miss.), ruled out any short-term spending bill that extends past New Year's Eve.

Cochran, who also chairs the Defense subcommittee, urged House and Senate leaders to reach an accord that would lift the budget cap for the Pentagon. Without a deal, Cochran said he would be "hard-pressed" to write a bill that "fully meets our national security needs or reflects the priorities of the Senate."

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### White House seeks at least \$44B in third disaster request Back

By John Bresnahan, Seung Min Kim and Sarah Ferris | 11/16/2017 06:57 PM EDT

The White House will ask Congress on Friday to approve at least \$44 billion to help storm-ravaged communities in Texas, Puerto Rico, the U.S. Virgin Islands and Florida, according to three sources privy to the request.

It would mark the third aid installment in three months. Congress has already approved \$52 billion in response to the spate of hurricanes that killed 260 people and caused hundreds of billions of dollars in damage.

The latest request falls short of what local officials had sought for their recovery, though the White House is expected to send additional aid proposals in the coming months. Texas had asked for \$61 billion for reconstruction, and Puerto Rico has sought \$96 billion.

Both the House and Senate are expected to take up the request next month, possibly as part of a year-end spending deal. The request comes as lawmakers leave town for a weeklong Thanksgiving break.

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#### Grid attack simulation exercise includes 'fake news' scenario Back

By Esther Whieldon | 11/16/2017 05:10 PM EDT

A two-day exercise to test energy companies and government agencies' response to simulated cyber and physical attacks on the electric grid has added a new wrinkle: using "fake news" on social media to gauge how participants react.

The North American Electric Reliability Corp. holds its so-called GridEx simulations every two years, and this year's event drew about 6,000 people from the power, oil and gas sectors as well as from FERC, NERC, DOD, DHS, DOE and other national agencies.

This year's exercise included simulations similar to the malware attacks made on Ukrainian energy and transport companies earlier this year. And it also included a social media component in which GridEx administrators put out news stories, and allowed utilities to post their own accounts on social media.

"We had some reaction from members questioning whether what they're seeing is accurate, and using the words 'Is this fake news?," said Marcus Sachs, senior vice president and chief security officer at NERC. "I think that term has become part of our lexicon now and so there's an awareness as to is what we're seeing completely accurate or is it designed to fool us? Is it potentially a threat actor making something up and trying to psychologically push people in a wrong direction?"

The 2015 exercise led companies and agencies to improve their response to natural disasters and create a cyber mutual assistance program, said Kevin Wailes, co-chairman of the electricity subsector coordinating council and CEO of the Lincoln Electric System.

**WHAT'S NEXT:** NERC expects to publish a report on lessons learned from GridEx IV in March.

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### Virginia advances proposal to join RGGI Back

By Darius Dixon | 11/16/2017 04:57 PM EDT

Virginia's Air Pollution Control Board today decided to officially move ahead with a proposal for the state to join the Regional Greenhouse Gas Initiative.

The <u>plan</u>, which will now go out for public comment before it's finalized, proposes to cap carbon dioxide emissions from power generation in Virginia at 33 million tons or 34 million tons in 2020, with 3 percent annual reduction through 2030.

Outgoing Virginia Gov. Terry McAuliffe <u>announced</u> the decision to join the multi-state program earlier this week at the climate summit in Bonn, Germany. In a statement today backing the board's decision, McAuliffe made a dig at President Donald Trump.

"Virginia is uniquely vulnerable to the threat of climate change and many of our residents are already experiencing its impacts. ... I am proud that Virginia is joining states around the nation that are filling the void of leadership that President Trump has left on transforming the energy sector and protecting our environment," he said.

New Jersey, which exited the pact under Republican Gov. Chris Christie, is also set to rejoin RGGI.

**WHAT'S NEXT:** The Air Pollution Control Board is expected to take public comments for at least 60 days once it's announced in the Virginia Register.

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### Hamm tells EIA its high oil forecasts are hurting his business Back

By Ben Lefebvre | 11/16/2017 04:57 PM EDT

Continental Resources chief and Trump supporter Harold Hamm told an Energy Information Administration webinar on Thursday that the agency was overestimating U.S. crude output and hurting his business.

The presentation by Hamm, who is largely credited with sparking the oil rush in North Dakota, is the latest sign of the policy influence that energy executives have in the Trump administration. Like coal magnate Bob Murray and refinery owner Carl Icahn, billionaire Hamm has regularly had Trump's ear.

"When it comes to public policy and politics and being at that table, it appears they now have a seat they didn't necessarily have before," said Jon Haubert, an energy consultant and founder and managing partner of HB Legacy Media.

During his approximately 15-minute presentation, Hamm said he had given input to the EIA since 2012 in his role as head of the Domestic Energy Producers Alliance, a trade group he co-founded and represents 29 companies. He said that the EIA forecasts had overstated oil production this year by 200,000 barrels a day, a discrepancy he complained was hurting this business with investors. Continental's share price is down about 10 percent from a year ago, but had fallen as much as 40 percent during the summer.

"We believe the EIA must be responsive to changing dynamics and do it on a timely basis," Hamm said. "Shareholders are demanding return on investment. Hopefully we will give the EIA data a more realistic stamp."

EIA has estimated the U.S. oil production will average 9.2 million barrels a day in 2017. Hamm's Continental Resources and other oil companies have suffered from low oil prices, which have been under pressure from high crude inventories and the growth in U.S. production in recent years. A lower estimate from EIA could help lift oil prices and boost oil company profits.

Hamm met with Energy Secretary Rick Perry in September to argue that the EIA was overestimating U.S. oil output for the next few years. The former wildcatter also appeared onstage with Trump at an event in Mandan, N.D. earlier that month.

Matt Lee-Ashley, senior fellow at the liberal Center for American Progress, said he believed backing from Trump helped Hamm get a spot in the EIA meeting.

"Harold Hamm has been very clear that he has a financial interest in the EIA's forecasts and he has put political pressure on the EIA to change their forecasts," he said. "This not only hurts the EIA's all-important reputation of being independent, but it raises questions about whether the Trump administration is letting Hamm influence the government's crude oil forecasts for his personal financial benefit."

An EIA spokesman did not reply to questions as to how Hamm came to join the panel. A spokeswoman for Continental Energy and the DEPA declined to answer specific questions, only saying "DEPA has been providing insight to the EIA for years."

Market analysts were less worried that Hamm's participation in the webinar would mar the EIA's reputation for independence.

"Dialogue with industry players should not, in and of itself, create concerns about the reliability of the EIA's data and forecasts," said Pavel Molchanov, a Raymond James energy analyst.

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### FERC chief urges critics to 'move past' DOE's proposal Back

By Darius Dixon | 11/16/2017 01:30 PM EDT

FERC Chairman Neil Chatterjee said Thursday that the agency was developing its own approach to support grid resilience rather than working from the proposal submitted by Energy Secretary Rick Perry.

Chatterjee told reporters after FERC's monthly meeting that the issue of supporting baseload coal-fired and nuclear power plants had caused a "hyperbolic reaction" because many people did not understand the agency's process.

"I think part of the problem is that people are still debating the [notice of proposed rulemaking] as it was submitted to us [by the Energy Department]," he said. "What I'm trying to say is we've moved past that and we're moving toward a constructive solution that still answers the questions that Secretary Perry asked in the NOPR in a way that does not distort markets and is legally defensible."

Chatterjee said his effort to implement an "interim" proposal to prop up economically struggling generators in power markets is still being ironed out, but it may direct grid operators to identify what plants are needed for "resilience."

"Once it's fully fleshed out and I feel that it's a defensible product, I want to be able to present that to my colleagues so they can review it," he said, noting that he would ensure

that his fellow commissioners would have sufficient time to review it.

In an interview with <u>Utility Dive</u> on Wednesday, Chatterjee said he was considering an order to require regional grid operators to provide "interim compensation" for power plants that contribute to grid resilience and are at risk of closing before FERC can finish a formal rulemaking, or that those grid operators "show cause that [they] not be required to do so."

Chatterjee said Thursday that "on-site, secure, firm fuel that does not depend on just-in-time delivery," as among the characteristics of power plants that contribute to grid resilience.

The interim FERC chief said that he didn't see any threat to the renewable industry or to natural gas from his plan.

"I genuinely believe that this will not have a negative impact on gas. I believe deeply in natural gas and its value. ... I don't want to do anything to hurt the gas industry," he said.

Chatterjee said that he's pushing an interim proposal to preserve certain power plants because "in the short term, I just want to make sure that the patient doesn't die while we do the longer-term analysis."

However, he didn't envision that his plan — which doesn't appear to have broad support among the FERC leadership yet — would have a mechanism to compensate consumers for paying plants that ultimately turn out not to have been necessary in any long term review.

"As we look through this, we will try and make this as minimally disruptive — we'll try to keep the costs down — to consumers as possible," Chatterjee said, adding that "consumers have paid for things that have a lot less value to the grid than long term resilience and security."

He added: "Thinking about the consequences if we got this wrong, it's a pretty reasonable ask."

Kevin McIntyre, President Donald Trump's pick to lead FERC, is expected to be sworn in in the next few days.

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